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C O N F I D E N T I A L BUENOS AIRES 000621

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WHA FOR CHARLES SHAPIRO, PATRICK DUDDY, DOUG BARNES, BRUCE
FRIEDMAN, DREW BLAKENEY
P FOR HEIDE BRONKE
EMBASSY VILNIUS FOR THOMAS P. KELLY

E.O. 12958: DECL: 03/30/2017

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SUBJECT: ARGENTINA: FOREIGN MINISTER SEES WAY AHEAD ON
BILATERAL RELATIONS

Classified By: Ambassador E. Anthony Wayne for Reasons 1.4 (B) and (D)

¶1. (C) Summary: "Let's put recent events behind us and move forward on our positive agenda" Foreign Minister Jorge Taiana told Ambassador Wayne March 29, offering no rebuttal to the Ambassador's conveyance of Washington's serious displeasure with the GoA decision to allow Chavez's March 9 anti-US rally. Taiana indicated that he wanted to avoid continued public back and forth on the issue and focus on moving ahead where it is in our common interest. When the Ambassador indicated his worry about future outbursts of criticism from President Kirchner, Taiana said that he knows "we have our work cut out for us," and at the end of the meeting suggested meeting on a regular basis every few weeks. Taiana noted the positive tenor of recently concluded military-military bilateral working group meetings between the Ministry of Defense and the Defense Department. The Ambassador agreed and thanked Taiana for his support in submitting authorizing legislation for the upcoming UNITAS exercise in May. When Ambassador informed Taiana that U.S. Interpol Executive Committee representative Tom Fuentes would be visiting Argentina in late April, Taiana suggested that it would be a good opportunity to discuss next steps on the AMIA case as the decision to publish the Red Notices is taken up by the Interpol General Assembly in November.

¶2. (C) Taiana offered a brief readout of Senator and First Lady Cristina Fernandez de Kirchner's trip to Venezuela and Ecuador, stating that she was warmly received by the Jewish community in Venezuela. He informed the Ambassador that the First Lady has been invited to participate in a May 3 American Jewish Congress meeting along with Secretary Rice and the Latvian President, and that the First Lady would likely attend. He also noted that in Ecuador, she had advised the Correa administration "not to default" on their debt, and shared in some depth his views on Correa and his team. When asked about President Kirchner's upcoming trip to Venezuela, he downplayed the visit explaining that the trip was to attend a regional energy summit long in the works. He indicated that Kirchner's visit to Bolivia was not confirmed, but that he would likely look to finalize an agreement to begin construction of the Argentine-Bolivian gas pipeline. On the recent GoA decision to end the 1995 oil and gas accord in the Falklands/Malvinas, Taiana went on at length asserting that the UK frequently and erroneously characterizes Argentina's actions to defend its sovereignty claims over the

disputed islands as "hostile", as if the actions were acts of aggression. He reiterated that the GoA is bound to resolve the Falklands/Malvinas dispute diplomatically in its 1994 constitution, but that it will continue to push its claims. End Summary.

Taiana and Ambassador Agree to Move Forward

13. (C) "Let's put recent events behind us and move forward on our positive agenda" Foreign Minister Jorge Taiana told Ambassador Wayne March 29, offering no rebuttal to the Ambassador's conveyance of Washington's serious displeasure with the GoA decision to allow Chavez's March 9 anti-US rally during President Bush's Uruguay visit. Taiana noted that only he and Interior Minister Fernandez were the only ones to respond to Under Secretary Burns' 3/22 Council of the Americas criticism of the decision and stressed that he wanted to avoid any continued public back and forth on the issue. When the Ambassador indicated his worry about future outbursts of criticism from President Kirchner, Taiana said that he knows "we have our work cut for us," and agreed we should move ahead where it is in our common interest.

14. (C) Referring to a March 27 Clarin story that alleged, among other things, that the Ambassador had bypassed Assistant Secretary Shannon and gone directly to higher levels to recommend that the USG formally complain to Argentina in response to the anti-U.S. rally, and a March 22 Buenos Aires Herald story that incorrectly reported that the GoA barred U.S. landings and overflights during President Bush's regional visit earlier this month, Taiana noted that the press seemed to be intent on escalating U.S.-Argentine tensions. He thanked the Ambassador for quickly clarifying the Clarin story, adding that he was glad he did not have to respond to the allegations in the story. The Ambassador commented that the press always likes a good fight and explained that Embassy had also submitted a correction to the Buenos Aires Herald story, expressing appreciation for the GoA's cooperation in facilitating the air transportation logistics during President Bush's visit.

15. (C) Highlighting the positive aspects of our relationship, the Ambassador and Taiana concurred this week's MoD-DoD bilateral working group meetings were very positive. The Ambassador stated that Deputy Assistant Secretary of Defense Johnson was pleased with the exchange, and Taiana said he had received a similar readout from Defense Minister Garre. The Ambassador thanked Taiana for his support in submitting authorizing legislation for the upcoming May UNITAS exercise. Taiana said the exercise has a long tradition in the region and noted that "even Venezuela participates." He stressed that the Argentine military values the opportunity to improve the interoperability of our forces, especially at the technical level. The Ambassador then noted that the positive outcome of the Interpol Executive Committee decision on the AMIA case in Lyon on March 15 is yet another example of how bilateral cooperation can yield mutually beneficial results. When he informed Taiana of U.S. Interpol Executive Committee Representative Tom Fuentes' upcoming trip to Argentina in late April, Taiana suggested that it would be a good opportunity to discuss next steps on the AMIA case as the decision to publish Red Notices is taken up by the Interpol General Assembly in November.

First Lady's Trips to Venezuela and Ecuador

16. (C) Taiana offered a brief readout of Senator and First Lady Cristina Fernandez de Kirchner's trip to Venezuela and Ecuador. He explained that the First Lady had been invited to participate in a commemoration ceremony of the 40th anniversary of the 15,000-strong Venezuelan Jewish Association, and added that President Kirchner was honored that his wife had been invited. He stated that the First

Lady has long been interested in the region's Jewish communities and served on the Congressional committee charged with monitoring the AMIA investigation. According to Taiana, the First Lady's speech was "warmly received", at which point he observed that her speeches tend to make him nervous because she tends to speak extemporaneously as opposed to read from prepared speeches. Taiana disclosed that while in Venezuela, the American Jewish Congress extended an invitation to the First Lady to participate in an early May conference along with Secretary Rice and the President of Latvia. He indicated that the First Lady would most likely attend.

¶7. (C) Taiana said Fernandez de Kirchner's visit to Ecuador also went well, noted that the First Lady advised the Correa administration "not to default" on their debt. He stressed that Correa is a "very pragmatic and good man" who bases his decisions on common sense. Taiana asserted that Correa and his team comes from outside the political system and so they have not yet been corrupted. Correa and his team's naiveté, however, may prove to be Correa's biggest weakness, Taiana cautioned, citing as an example Correa's decision not to run any candidates in last year's Congressional elections. Taiana noted that although Correa is firmly against dollarization because it has resulted in high domestic prices and has eroded Ecuador's export competitiveness, he will maintain the policy as long as oil prices remain high and remittances continue to flow in from abroad.

Upcoming Kirchner Travel to Venezuela and Bolivia

¶8. (C) When asked about President Kirchner's upcoming April 16-17 trip to Venezuela, Taiana downplayed the visit explaining that the trip was to attend a regional energy summit long in the works. He indicated that Kirchner's visit to Bolivia was not confirmed, but that he would likely look to finalize an agreement to begin construction of the Argentine-Bolivian gas pipeline.

Falklands/Malvinas Islands Dispute

¶9. (C) On the recent GoA decision to end the 1995 oil and gas accord in the Falklands/Malvinas, Taiana went on at length asserting that the UK frequently and erroneously characterizes Argentina's actions to protest the "colonization" of the disputed islands as "hostile," as if the actions were acts of aggression. Taiana said he believed such statements were political efforts designed to minimize the legitimacy of the GoA's claims to the islands, but worried that if the UK really believes the GoA intends to try to forcefully gain control of the islands, "they really do not understand what is going on in Argentina."

¶10. (C) The Ambassador told Taiana that the UK wants to emphasize a positive agenda with regard to the islands. Taiana reiterated that the GoA is committed to pursuing a negotiated solution according to diplomatic norms, international law, and as set forth in Argentina's 1994 constitution. He stressed the administration realizes that, given the UK's political and military strength, it cannot be forced to negotiate, but that the GoA will never give up its claims to the islands. According to Taiana, moreover, the UK has refused since 1994 to participate in the bilateral defense working group, which he described as one of a series of confidence building measures that could help smooth diplomatic tensions. He maintained that both parties must derive equal benefits from agreements related to the islands. He also explained that the GoA rejected the UK's invitation for a joint commemoration of the 25th anniversary of the Falklands/Malvinas war because the events planned by the British are more a "celebration" than a commemoration.

¶11. (C) Taiana also admitted that he was torn over the efforts of the families of fallen Argentine soldiers to

commemorate the 25th anniversary of the war. He said a committee representing the families had initiated a movement to travel to the islands to visit the Argentine cemetery there and erect a statue in memory of the war's victims, but he was concerned that the UK was portraying these efforts as its own initiative. Planning Minister Julio De Vido the same day announced the GoA will ban oil companies who operate or have operated on the islands from doing business in Argentina. In concluding the meeting, Taiana suggested he and the Ambassador meet on a regular basis every few weeks, to which the Ambassador agreed.

Comment

¶12. (C) Taiana's comments reflect the MFA's commitment to work at damage control. The FM pointed out that only he and Cabinet Chief Alberto Fernandez reacted to Under Secretary Burn's 3/22 Council of the Americas remarks, criticizing the GoA's decision to host Chavez's anti-U.S. rally, confirming our hunch that the quick ministerial criticism was aimed at avoiding a presidential response. So far, Kirchner has kept mum, but we (and we believe the FM) do not discount the possibility of a future public rebuke given his tendency to lash out at the slightest provocation.

WAYNE